

**NORTH PARK REDEVELOPMENT
PROJECT AREA COMMITTEE (PAC)
REGULAR MEETING MINUTES**

Tuesday, August 10, 2010

San Diego National Bank (6th Floor), 3180 University Avenue, San Diego, CA
92104

Comments and PAC actions relating to items on today's agenda are noted herein.

I. ROLL CALL & INTRODUCTIONS

The Vice-chair convened the meeting at 6:01p.m. [restroom codes: (M) 6826 (F) 8246]

Kirsten Clemons	Absent	Judi O'Boyle	Present
Patrick Edwards	Present	Lachlan Oliver	Present
Don Leichtling	Present	Robert Steppke	Present (6:05)
Roger Lewis	Present	Mark Stern	Present
Valerie Loy	Present	James Tinsky	Absent
Lucky Morrison	Present	Mary Wilkinson	Present

II. ADOPTION OF AGENDA

Motion (Leichtling/Wilkinson): *To adopt the agenda as presented.*

Passed (9-0-0)

III. APPROVAL OF MINUTES

Motion (Leichtling/Morrison): *To adopt the July meeting minutes with correction of a PAC members name to 'Wilkinson'.*

Passed (9-0-0)

IV. ELECTED OFFICIALS REPORTS

Anthony Bernal, Council District Three Representative, announced the council's action to place the sales tax increase on the November ballot and talked a little about the ten conditions required to be met before implementation of the ½ cent sales tax can occur to run over 5 years. Bernal also announced the ribbon cutting ceremony for the improvement to Montclair Park taking place on August 12th at 12 noon. Councilmember Gloria will also be available Saturday, August 14th, for coffee at Grant's Market place from 11 am to 12:30 pm.

V. PUBLIC COMMENT

Arnulfo Manriquez, the new executive director of Chicano Federation, introduced himself to the PAC and noted his support for the Media Arts funding request.

Lynn Elliot announced the upcoming last of the Bird Park Concert's on the 21st of August at NP Community Park.

Barbara Simmons, representing North Park for the Arts, passed out new pamphlets detailing the Ray at Night Event.

Alma Rodriguez, of Media Culture Arts Center, passed out pamphlet about Queen Bee.

Jasmine, of Cirrulo Gallery, asked for and received clarification on the application process for the pilot project.

Judi O'Boyle reported the planning committee had recently heard preliminary plans for a request to demolish the existing Jack in The Box at Upas and 30th Street and rebuild in a different location on the site. She noted her interest in involving the agency in some fashion of redevelopment project involving that site.

VI. CHAIR'S REPORT

Vice chair O'Boyle reported that Chair Clemons has indicated she has election season working commitments and will miss the next three Tuesday night meetings. O'Boyle explained some of the requirements stipulated in the bylaws regarding absences. She also reported that Ms. Clemons has indicated her strong desire to remain in the position of Chair and would return at the November meeting. Rob Steppke noted the bylaws were expressly edited to reflect the PAC member 'may' be allowed to stay on based upon committee sentiment. Oliver made request that all correspondences be copied to the vice-chair as well noting there have been some circumstances where some correspondences have not been responded to by the chair. Lewis explained that Clemons intended to stay fully involved and would continue to meet with the officers in setting the agenda items for the upcoming months. Leichtling raised request that others on PAC be allowed to attend any officers meeting.

VII. ACTION/DISCUSSION ITEMS

A. Recommendation of Adoption of a North Park Community Enhancement Program.

Michael Lengyel, of the Redvelopment Agency, noted the 2011 ERAF payment to the state as well as a payback of a community block grant money to the city were reflected in the fiscal year budget spreadsheet update he handed out. He then introduced Pamela Thorsch, director of Rebuilding Together SD. Ms. Thorsch explained her organization pursued and used corporate dollars to leverage against private donations to help with community revitalization projects that are approved through an application process. She explained they have four yearly projects and detailed a little about how each one differed, giving examples of partnerships with community groups, SOHO, disabled access groups, etc. She noted they receive some community block grant money as well. Thorsch noted they are forming a new partnership with a solar panels business to incorporate some sustainability aspects into projects and showed some photo examples of some of the recent projects including the inclusion of art. She drew attention to an upcoming water conservation garden being planned for the community of City Heights to demonstrate how to apply concepts to private homes.

Public Comment: Vicki Estrada spoke of the enthusiasm and effort Ms. Thorsch puts into the mission of Rebuilding Together SD. Bob Bauer asked about the use of funds and how that might be affected by requirements to pay prevailing wages and suggested ways to consider funding to avoid having to do that. Lengyel responded we could use low-mod money to avoid the requirement to use prevailing wage contracts.

PAC Discussion: Morrison asked for clarification on how to read the budget handed out to determine what projects have been committed to financially. Lengyel responded that it

only reflects the money encumbered for projects approved by the agency board. Leichtling noted the PAC's HELP program might be of assistance. Thorsch noted they work in collaboration with Community Housing Works working on the interiors of certain low-mod housing projects. O'Boyle asked how much funding is being specifically asked for. Thorsch responded that the amount was up to the PAC to determine. Lengyel noted that other PAC's have suggested an annual allocation, approximately \$100K, but that it is up to the discretion of the board. He did express the agency would like some guidance on an allocation amount. Stern asked about the potential of getting more value by avoiding retail costs being paid. Thorsch noted there is a limit to what can be done, as work is all volunteer and she noted she does negotiate fee reductions and free work. Steppke noted his past participation in this program and support for it but cautioned keeping HELP projects separate in the nature of what they are addressing. Morrison noted he felt the program within the scope of what the PAC should address. Wilkinson noted she needed some additional info such as whether it would be relegated to projects within the project area, if the program would be targeting just residential, etc. Thorsch responded they have helped in commercial cases in some extreme circumstances, but the intent is to provide a partnership with teens, the community, etc. to make better communities. Stern noted his strong support but given the implications of where the funding comes from he suggested we might review with staff to better determine where best to allocate money, (i.e. 20% or 80% funds), and what limitations each might bring. Lewis asked Lengyel about the funding pots and where other PAC's have allocated funding from to implement in their areas.

Motion (Leichtling/Morrison): *Adopt North Park Enhancement Program with funding source to be determined at the next PAC meeting with overall proposed initial amount of up to \$100,000.00.*

Discussion: Oliver commented he did not see the layers of subcommittee being productive. Stern noted his support for the PAC to work with Rebuilding Together SD and the agency as Ms. Thorsch suggested. Lewis suggested we could use funding from both 80% and 20% to address all aspects of the program. Lengyel addressed all aspects of prevailing wage, appropriate areas, etc.

Passed (9-0-0)

B. Consideration of Request by North Park Partners for Agency Assistance for the Rehabilitation of a Residential/Commercial Property at 3794 29th Street.

Brandon Cohen introduced himself and handed out a packet detailing his proposal and went over a project budget on page 4 and provided some of his recent history about the site. He noted he and his parents had originally planned to build a three unit housing project but during the permitting process the historic resources board, (HRB), imposed an 'involuntary historic designation' on the house disallowing it's demolition. Cohen provided some detail about major structural renovations costs and asked for funding up to \$350K.

Public Comment: Bob Bauer noted he was contacted by the applicant's historical consultant regarding the involuntary designation done by the HSB and noted his support because of its dilapidated state and the position this designation has been put in. David Cohen, owner of West Coast Restaurant, noted he thought it was refreshing to see someone like a home owner come before the board with such as request. Omar Passons noted his support for request as well.

PAC Discussion: Lewis began first by clarifying for the Cirulo applicants why the Cohen request of the PAC for project funding was being heard as it related to the PAC's adoption of the Sustainability program Pilot Project. Lewis noted his understanding that the Cohen project was going forward under pilot project consideration because there was a Day Care element being included. Cohen answered he had previously presented

that but learned he does not qualify. Leichtling noted that as the structure is in such a state of disrepair while historically designated puts the applicant in a bad state and noted his support for the request as the right thing to do. Loy indicated her support for the project as businesses are always coming in and in this case it is a resident. Oliver noted he understood the applicant's initial intention was to pursue a for profit development of the site and asked the applicant for information about what possible loan programs he has applied for. Oliver also expressed he felt the request for the 3 to 1 agency to applicant's capital invested was excessive and that any agency funding would carry a requirement that the initial use be assured for a period of time like 15 years. Edwards noted the 'Mills Act' requirements were not consistent with the applicant's plan for adaptive reuse based on plans, materials called for, and appliances to a certain extent. Edwards noted his displeasure with the idea of making something appear or to model something as historical and expressing his non-support of the request. Stern asked if the applicant's intent was to create a multi-use project still and noted the cost to renovate seemed extremely high. Cohen noted his intention to keep the structure as a single family home. O'Boyle spoke in detail about Mills Act requirements and that the Planning Committee has heard variations of this project at times in the past. She stated the applicant's architect had been advised of all the problems with the structure and that the nature of the original project upon which the purchase was made was not in character with the houses on the block. She also noted the interior of a Mills Act house is not affected, only the façade. She expressed that only the exterior (front) perhaps makes this an issue for us as a PAC. Steppke, noting his real estate background, expressed that purchasing any property involves risk and requires that one does due diligence and further noted his belief that the applicant bought the property at below market value and knew of conditions going in. He also noted the potential that this could set a precedent for funding of single family residences. Cohen responded noting there are 3000 craftsman houses in North Park and you wouldn't expect a rundown one to be designated. He also noted the interior would need to be replaced as repairing the foundation would destroy it and noted he would be happy with whatever the PAC could assist with.

Motion (Edwards/Leichtling): *PAC support funding of foundation costs of up to \$80K for 3794 29th Street on condition of retention of original siding, windows and garage as well as removal of security bars.*

Discussion: Lewis echoed concerns raised about setting precedent for funding such requests and the need for assistance of any measure to include an agreement with the agency assuring that any project public funding does not go to waste, for example, on an unfinished project. Oliver raised concerns again about the history of the project, ownership, etc. and noted he could not support the motion without more information. Stern noted his concern as well with setting a questionable precedent and also with how the PAC could even move forward with this if we supported this project. O'Boyle expressed support for the agency mission to build up low income housing as well as the commercial areas.

Failed (3-6-1) In favor: Leichtling, Loy and Edwards. Abstaining: Morrison due to association with applicant.

Motion (O'Boyle/Wilkinson) *Deny the funding proposal for the remodel of the house.*

Discussion: Leichtling expressed opposition to the motion because the house needs to be rehabbed. Oliver suggested the applicant consider reapplying under a different plan. Edwards noted non-support because he interprets it as a limitation on all projects which would lead to non-historic renovations. Stern noted his opposition because he doesn't want to shut the door on all these houses. O'Boyle noted community plan process is considering conservation districts which could be applicable to this project in the future and noted her commitment to historic preservation but spoke strongly about her concern about setting precedent.

PASSED (5-4-1) Opposed: Leichtling/Loy/Edwards/Stern Abstaining: Morrison abstaining due to association with applicant.

C. Consideration of Request by Media Arts Center San Diego for Agency Assistance for the Rehabilitation of Commercial Property at 2921 El Cajon Blvd.

Ethan van Thillo, Executive Director, introduced himself and the Executive Director of the organization presenting the largest Latino Film festival in the country. Patrick Stillman, of Media Arts Center, then spoke noting that much of the product of this venture is seen in many other locations. He noted the location could be described as a 'digital gym' for developing media technique and also noted there would be a store on site providing materials. He indicated there would be events, productions, as well as a 'black box' with a resident artist. Van Thillo noted Media Arts Center, (MAC), was here to ask for this communities support and financial support from the agency for this project in the amount of approximately \$350K which would drastically improve a building in need of improvement.

Public Comment: Anthony Vargas expressed he first learned of the center on line and volunteered many years ago because of its involvement with the Latino Film Festival. A number of additional people who also have associations or familiarity with Media Arts Center spoke in support.

PAC Discussion: Morrison noted his support for project. Steppke asked for more detail about the financial numbers presented. Oliver asked if program would offer free support for local artists being pushed out of current locations and in need of assistance. Oliver also asked how much annual fund raising MAC does. Van Thillo responded indicating MAC does a lot of free workshops but an on going issue is financial stability and the challenge is how to get people to take part and be supportive financially. Edwards asked for clarification on the PAC's current position on funding the project request and noted his concern about losing projects if time is an issue. Lewis cited the PAC July notes for the motion detailing the approved review process including the 'Pilot Program' to encompass all projects not having funding approved by the agency. He noted this should then include the Wang's project request as well. He stated the PAC subcommittee has been working hard and expediently to move this process forward. Lewis responded to the concern raised by stating his support for this project while expressing the PAC is charged with a fiduciary responsibility for public funds and as such the process takes time and the applicant's should understand and respect that.

Motion (Leichtling/Morrison): *PAC to create an ad-hoc subcommittee to finalize funding for the Media Arts Center proposal tonight.*

Denied (2-8-0) In favor: Leichtling and Morrison

Motion (Oliver/Leichtling): *PAC to follow the RPF sent out on July 23, 2010 in regards to Media Arts Center.*

Passed: (8-2-0) Opposed: Leichtling, Morrison

(Leichtling left the meeting)

D. Consideration of Funding for Improvements at the North Park Community Park at 4044 Idaho St.

Omar Passons, representing NPCA, requested agency assistance for certain improvements at North Park Community Park as part of joint use agreement between the ALBA School and the Parks and Recreation Department. He stated there is a \$35K need for equipment to protect the tot lots by moving the utility box, provide cameras and remove the concrete tables such that it won't provide a hiding place and gathering place for undesirable activity.

Public Discussion: Brandon Cohen and David Cohen noted support. Lynn Susholz voiced concern over removing public amenities such as the tables when they were part of the latest park improvement project.

PAC Discussion: Lewis asked for more clarification on the funding use and what the position of school district and Parks & Rec department is. Parsons explained the site for improvements is out of schools funding area and that Parks & Recreation just has no funds. Steppke noted concern about losing seating given that homeless are not going away. Oliver asked how this differed from pilot project requirements. Stern stated it is not subject to pilot project because this is public facilities issue, not a commercial venture. O'Boyle noted support for request. Lewis noted he would not support a motion that included removal of the tables.

Motion (Steppke/Edwards): *To fund rotating and relocate the utility cabinet and the installation of cameras and security system.*

Discussion: The presenter objected to the PAC motion over the request of the vice-chair not to comment. Oliver stated the comment made by the requestor were out of line and supported the comments that the greater good should be supported noting his support for the benches remaining. Edwards noted his support for the motion. Stern objected to the requestor's comments then asked about ongoing maintenance. O'Boyle pointed out that the NPCA had listened to a good amount of public comment. O'Boyle stated that she didn't support the proposal since it went through a community input process, but she was prepared to make a new motion for all the funding if the first one fails.

Passed (8-1-0) Opposed: O'Boyle, Judi

E. North Park Parking Garage Occupancy Report and Extension of Discount Monthly Rates for North Park Main Street Members.

Report differed until the September meeting with the printed report being distributed to the PAC.

VIII. SUB-COMMITTEE/LIAISON REPORTS

A. Maintenance Assessment District (MAD)

Steppke reported MAD was dark.

B. Project Area Improvements

Did not meet.

C. North Park Community Plan Update

Lewis reported the Update Advisory committee had been, and will continue to meet twice monthly and that the next meeting would cover review of the existing goals and objectives of the commercial and transportation elements on Wednesday, August 18th, 5:30 pm at Garfield Elementary School.

D. Green/Sustainability Initiatives

No further report after discussion of Item "C".

E. Multi-Family Development

Stern asked for PAC to review the handout he prepared and presented regarding the subcommittee's work. He provided some specific details that fell along the lines of the HELP program. (Handout included in minutes sent out.)

IX. STAFF REPORTS/PROJECT UPDATES

A. Garage Art Project

Lengyel, of the agency, passed out the monthly project spreadsheet and announced that the community housing works project on El Cajon Blvd. is not going forward.

B. North Park Mini-Park

Lengyel said that Todd Schmidt, Parks & Recreation project planner, would make a presentation to the PAC at the September meeting.

C. Eminent Domain Extension Blight Analysis

Lengyel reported a contract for the traffic consultant was being reviewed.

(Edwards left the meeting)

X. REQUESTS FOR NEXT AGENDA

- A.** Brandon Cohen asked to re-present his request
- B.** Consideration of a process to consider family funding program consideration process
- C.** Parking garage report
- D.** Detailed discussion on percentage of funding for NP Enhancement Program (Rebuilding Together SD)
- E.** Park and Rec. report on Mini-park
- F.** Discussion of how PAC will proceed in consideration of future commercial profit and non-profit improvements.

ADJOURNMENT

Motion (Loy/Oliver): *To adjourn at 9:45 pm.*

Passed (8-0-0)